

# Questions Received from Crestmoor Neighborhood Residents

## January 27, 2016 – February 9, 2016

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City staff met with Crestmoor neighborhood residents on January 27, 2016 to discuss the neighborhood reconstruction project. Numerous questions were submitted following the meeting. Responses will be posted on <https://sanbruno.ca.gov/gov/crestmoor/default.htm> and <http://www.rebuildcrestmoor.org/> by February 12, 2016.

### 1. Questions presented at January 27, 2016 Crestmoor Neighborhood Meeting

#### 1a. CONSTRUCTION

- Describe the upcoming scope of work in our neighborhood and if different than originally envisioned in conceptual drawings and renderings by BKF Engineers, explain why
  - Will there be traffic calming measures throughout the entire neighborhood?
  - Will there be bulbouts at intersections to prevent vehicles from parking on the radius of the corners?
  - Will there be landscaping on the bulbouts to improve the appearance of the neighborhood?
  - Will there be pavers to delineate all intersections for traffic calming, pedestrian safety and aesthetics?
  - Will there be traffic circles at major intersections for traffic calming (Glenview & Claremont and Glenview & Earl)?
  - Will there be monument lights at all four entrances to the neighborhood?
- Explain why neighborhood reconstruction projects have been delayed year after year. This is of concern since the annual budgeted “soft” costs are approximately \$3 million per year
- What is the delay in putting projects out to bid?
- Provide an updated schedule for both neighborhood and CIP construction projects with beginning and ending dates
- Provide cost for each construction project (streetlights, sidewalks/curbs, storm drains, streets, park and CIP projects)

#### 1b. OPERATING BUDGET

- What services are covered by the Professional Management and Inspection charge?
- Are the attorneys still needed to represent the City at CPUC proceedings?
- Will the public relations and media support firms continue to be on retainer?
- What are the informational materials that are documenting the City's story?
- What is the NTSB monument?
- Explain why \$55,253 for the initial establishment of the San Bruno Community Foundation was deducted from this fund
- Explain why \$299,864 for RDA transfers to the City that were disallowed by the State of California were deducted from this fund
- The budget presented on 03/11/14 shows \$878,000 for waived fees. If the fees are waived, why are they charged to this fund?
- Was the profit from the sale of three City owned lots to Castle Company, Inc. credited to the reconstruction fund?

- Who is the trustee for this fund and who does he/she report to?
- The 2015-2016 Operating Budget indicated (pg. E-75) "Amounts are reimbursed to the appropriate City funds when received from the trust fund."
  - That same budget state (pg. A-14) "a total of \$5,148,382 for reimbursement of full time City employee salary and benefits costs that represent the time spent by City employees in all City departments on activities directly related to disaster response and recovery over the past 4-1/2 years since the explosion. This amount will represent a one-time unallocated revenue to the City once it is reimbursed to the City in the coming weeks."
  - The 2016 State of the City states "the City Council has decided to supplement its annual funding for neighborhood street repairs over the next couple of years by adding \$3 million to our street repair program using funds we received as reimbursement for the staff time required to respond to the ongoing community needs related to the 2010 PG&E explosion and fire."
- Explain why the funds are unallocated and can a portion be used for construction in our neighborhood?

#### 1c. CIP BUDGET

- The City has allocated \$6 million from the reconstruction fund for the rebuilding of Fire Station #52. Since this station is used by more than just our neighborhood, explain why other funding sources are not being utilized
  - Explain why the trees on Sneath Lane are being replaced rather than being trimmed
  - Why has the Traffic Signal Priority Control System charged against this fund?
  - Explain why \$20,000 from this fund was used for the City Website Upgrade project when the money was available from the Technology Fund and technology fees. This fund was previously charged \$10,000 for the rebuildcrestmoor.org site
2. We noted that city staff took many trips around the county and county to discuss pipeline safety. Were any of the expenses of these trips billed to the PG&E Trust Fund including time, travel, food and lodging? If so, how did it directly benefit any of the residents of Crestmoor 2?
3. On March 12, 2012, the City and PG&E entered a settlement agreement for \$68,750,000 cash and 5 lots valued at \$1,250,000 (5 x \$250,000) equaling \$70 million.

Castle Companies, Inc. purchased 7 lots owned by PG&E and 3 of the 5 lots that were part of the above agreement for \$415,000 each. The \$1,245,000 for the 3 City-owned lots goes to the Community Foundation which when added to the \$68,750,000 cash totals \$69,995,000.

The remaining 2 City-owned lots along with Bullis's lot will be used for public purposes.

City Council Agenda Item Staff Report dated 10/28/14 regarding this sale states the following:

*"Closing costs and other City costs associated with the development of the ten vacant lots that are not covered by standard City Building and development fees will be paid*

*from the Trust Fund established by the City and PG&E for work to rebuild the Crestmoor neighborhood."*

Please detail the type and amount of all of these costs.

4. Why has the city spent more money on PR, Lawyer fees and double dipped wages then First putting Crestmoor 2 back together as promised???? That should have been the first priority! Why did the city take it's time to rebuild? Why has the City raided the rebuild fund to it's advantage? How can you let this happen to the part of the city that made San Bruno Rich by the tragedy of "Crestmore 2 " and it's residents?

I am disgusted with the city officials who drained the Crestmoor 2 rebuild fund! The Neighbor should have been the priority not the city! We're now being told there may not be enough money left to complete the projects promised to us!

Sham on You San Bruno City Officials!

5. The most recent **Comprehensive Annual Financial Report** on the City website is for the fiscal year ending **June 30, 2014**. Page 72 of that report shows the following transfers:

TRANSFER FROM	TRANSFER TO	AMOUNT
PG&E Emergency Disaster Reimbursement	Water Fund	\$1,465,773
PG&E Emergency Disaster Reimbursement	Wastewater Fund	\$1,208,199
PG&E Emergency Disaster Reimbursement	Stormwater Fund	\$ 475,960
<b>TOTAL FUNDS TRANSFERRED</b>		<b>\$3,149,932</b>

Please explain the details and dates of these amounts.  
Once the funds were transferred, how was the money allocated?

Also, when can the residents of San Bruno expect the CAFR that reflects actual expenditures for the fiscal year ending June 30, 2015?

6. The PG&E Trust Reimbursement Expenditure Summary dated May 15, 2015 lists \$299,864.000 for *"Funding for Capital Improvement Program (CIP) project transfers disallowed by the State of California Controller's Office during Asset Transfer Review as part of the San Bruno Redevelopment Agency (RDA) dissolution."*

The projects in question were median rehabilitation (landscaping, irrigation, pavers and gateway signs) and pedestrian enhancements (curb ramps, signalized intersections and refuge islands) along El Camino Real which has nothing to do with our neighborhood. The State Controller ordered the City to turn over the above amount to the Successor Agency. Rather than taking it from the fund to which it had been originally deposited, it was reimbursed from the PG&E Trust Fund. Please explain.

The State also disallowed \$186,852 *"to pay interest towards city /RDA loans"*. Has that amount also been reimbursed from the trust fund and why?

7. There seems to be a problem with the [info@rebuildcrestmoor.org](mailto:info@rebuildcrestmoor.org) site as it is not giving an automatic response that the message was received by the city. Would you please check this for us?
8. I attended the January 27th meeting and have the following concerns:
  - 8a. I was upset to learn that the city was using our fund to pay it's employees. We already pay taxes and should not pay twice. The city needs it's employees to take care of problems as they arise and not expect individuals to pay for services they need. I feel that money should be given back to the fund.
  - 8b. My next question is the properties the city sold to Castle Construction Company. Castle paid the city over \$200,000 more than the city bought those properties for. That profit should go to the Crestmoor Fund and not to the general fund. Where did that money go??
  - 8c. I have respect for Mayor Jim Ruane, but I was he disappointed me at the meeting. Jim Ruane said very little until a light went off in his head and he came up with a cost cutting BAD idea. The Mayor suggested patching the sidewalks instead of replacing them. I believe patching the sidewalks was discussed prior and he was waiting for a right time to interject the idea. His suggestion was awkward and did not flow into the conversation. Please have more respect for the residents of Crestmoor 2.
  - 8d. I and my husband and daughter walk 4 small dogs twice a day. Crossing the streets is dangerous. Pavers should be at EVERY crosswalk. Pedestrians should be able to cross the street at every corner and it should be designated by pavers. Dips should also be considered to slow traffic especially on larger streets such as Plymouth and Claremont and Earl.
  - 8e. I cannot believe the city expects the firehouse to be paid out of the Crestmoor fund. The firehouse serves ALL of San Bruno and not just Crestmoor2. I also feel 6 million dollars is a lot of money to house 3 fire personnel!
  - 8f. My next Concern is Crestmoor Canyon. We have been in our home on Claremont for 46 years. During that time the city has done nothing to maintain the integrity of the canyon. The Eucalyptus trees have grown and spread over 40 feet from Sneath Lane since we moved in. They are a fire hazard and could have also destroyed Crestmoor 1 had the fire come up the canyon during the PGE explosion. We talk about the many springs throughout the development. The water from those springs run underground to the Canyon and I have erosion and slippage of the cement in our yard. We have done all that we can to try to keep the runoff from taking our back yard. It's time the City takes responsibility for the erosion before damage occurs.
  - 8g. My final concern for now is all the travel the Mayor and other city employees did after the explosion. It seems the NTSB should have covered expenses to have you testify. If you are concerned with other areas of the city having the same horrid experience then that travel money should again come out of the general fund if the NTSB did not cover it. Taking PGE on after the settlement does not benefit Crestmoor 2--we already blew up. We should see an accounting of money taken out of the funds--hotels, meals, travel,

etc. and for how many people.

Thank you and I look forward to having these issues and other issues other residents might have at our next meeting

9. The PG&E Trust Reimbursement Expenditure Summary dated May 15, 2015 lists \$55,252.77 for *"Costs related to the Initial establishment of the San Bruno Community Foundation (SBCF) Not-For-Profit."*

Were those costs for the paperwork related to the establishment of a not-for-profit organization?

Why were those fees paid by the PG&E Trust Fund and has the Community Foundation reimbursed the Trust Fund?

10. The PG&E Trust Reimbursement Expenditure Summary dated May 15, 2015 lists \$765,361.28 for waived fees.

Since that report is 8 months old, please provide an updated total along with the type and amount of the fees (building permits, electrical permits, mechanical permits, plumbing permits, inspection fees, planning fees, etc.) and the fiscal years when all were reimbursed from the Trust Fund?

Are these same fees being waived for the 10 homes being constructed by Castle Company, Inc.?

11. Why is the canyon behind the 1400 block of Claremont drive beginning to look the city dump with giant mounds of dirt with tarps over them? What are these mounds? How can I be sure that those mounds don't have some sort of toxins??

12. After attending the January 27th meeting at City Hall, I would appreciate the following questions to be answered:

12a. Can you please explain which city employees received overtime compensation for work done associated with the PG&E explosion.

12b. Can you please give the amounts each city employee received as a result of this overtime compensation.

13. Describe the upcoming scope of work in our neighborhood and if different than originally envisioned in conceptual drawings and renderings by BKF Engineers, explain why

13a. Will there be traffic calming measures throughout the entire neighborhood?

13b. Will there be bulbouts at intersections to prevent vehicles from parking on the radius of the corners?

13c. Will there be landscaping on the bulbouts to improve the appearance of the neighborhood?

**13d.** Will there be pavers to delineate all intersections for traffic calming, pedestrian safety and aesthetics?

**13e.** Will there be traffic circles at major intersections for traffic calming (Glenview & Claremont and Glenview & Earl)?

**13f.** Will there be monument lights at all four entrances to the neighborhood?

- 14.** That 2015-2016 Operating Budget states (pg. A-14) "a total of \$5,148,382 for reimbursement of full time City employee salary and benefits costs that represents the time spent by City employees in all City departments on activities directly related to disaster response and recovery over the past 4-1/2 years since the explosion. This amount will represent a one-time unallocated revenue to the City once it is reimbursed to the City in the coming weeks."

The that same budget states (pg. E-71) "Costs for this staff time will be submitted to the trust fund for reimbursement and credited back to the City's funds to ensure that taxpayer funds are not paying for this work effort."

Also in that budget (pg. E-75), "Amounts are reimbursed to the appropriate City funds when received from the trust fund."

Explain why the money is being classified as unallocated revenue when it was a payroll reimbursement.

The 2016 State of the City states "the City Council has decided to supplement its annual funding for neighborhood street repairs over the next couple of years by adding \$3 million to our street repair program using funds we received as reimbursement for the staff time required to respond to the ongoing community needs related to the 2010 PG&E explosion and fire."

Is this a portion of the \$5,148,382 unallocated revenue?

What are the plans for the remaining \$2,148,382 of unallocated revenue?

Why did the City wait 4-1/2 years to request reimbursement of employee salaries and benefits?

- 15.** Please provide a breakdown of services and costs associated with the "Project Management and Inspection Services" charge that is budgeted annually at \$750,000.

- 16.** The Operating Budget lists \$800,000 annually for "Costs associated with representing the City at CPUC proceedings and non-profit formation."

Did the City approve a contract with Meyers Nave for legal services related to the September 9, 2010 PG&E gas line explosion and what was the amount and duration of that contract?

How much longer will their services be needed?

17. The Operating Budget lists \$200,000 annually to "Develop informational materials to document and tell the City's story".

What are these informational materials?

Where are they being distributed?

18. The Operating Budget lists \$15,000 annually through FY 2014-2015 for "NTSB Recognition Monument".

What warranted this type of recognition?

What form of monument is it (sculpture, plaque, etc.) and where is it located?

What amount was reimbursed from the PG&E Trust Fund for this project?

19. On **April 22, 2014**, Harry Burrowes presented the City Council Agenda Item Staff Report "Adopt Resolution Approving Reconstruction Projects in the Crestmoor Area". The report indicated that over \$11 million would be available for additional projects and after numerous meetings and feedback, the following projects were selected for development:

Crestmoor Canyon Fire Safety Improvements and Trail	\$1,900,000
Crestmoor Canyon Slope Stability Repairs	\$3,000,000
Fire Station No. 52 Replacement	\$6,000,000
Maintenance Fund for Park/Landscaping	\$500,000
Plymouth Way/Sneath Lane Corridor Tree Replacement	\$1,200,000
Traffic Signal Priority Control System	\$350,000
<b>Total</b>	<b>\$12,950,000</b>

If funding was still available through the Trust, the following second tier projects would be considered to proceed:

Crestmoor Canyon Storm Water Basin	\$3,000,000
Skyline Waterline Connections	\$750,000
Sneath Lane Waterline Replacement	2,175,000
<b>Total</b>	<b>\$5,925,000</b>

On **May 27, 2014**, Harry Burrowes presented the City Council Agenda Item Staff Report "Adopt Resolutions Authorizing the City Manager to Execute Contracts for Professional Services for Additional Projects in the Crestmoor Area;

- Resolution Approving a Contract with MIG, Inc. for a Not to Exceed Amount of \$48,500 for Planning and Biological Assessment Services for Crestmoor Canyon
- Resolution Approving a Contract with Langan Treadwell Rollo for a Not to Exceed Amount of \$157, 500 for Geotechnical Investigations and Engineering for the Crestmoor Canyon Slope Repairs and Fire Station No. 52 Reconstruction

- Resolution Approving a Contract with Wilsey & Ham for a Not to Exceed Amount of \$56,800 to Provide Expanded Base Mapping and Topographic Surveying within Crestmoor Canyon

At the neighborhood meeting on **January 27, 2016**, City Manager Connie Jackson announced that all the additional projects had been cancelled due to insufficient funds.

If this is not the case, which projects are proceeding and detail the source or sources of funding.

**20.** I would like to know the answers to all the questions we listed but I have picked out a few:

**20a.** I would like to know why the Crestmoor Trust Reimbursement Fund (CTRF) was used (\$55,253.) to start-up the 70M San Bruno Community Foundation (SBCF)? And when will that amount be repaid? Since Crestmoor 2 or Remembrance couldn't be in the name of the Fund (I was at that meeting), I find it quite a slap in "our" face.

**20b.** Why are city employees salaries paid out of the CTRF fund? It is pretty appalling especially the City Manager position whose base salary plus perks is \$295,690. And I haven't seen a cop "walking the beat" around Crestmoor 2 since the explosion.

**20c.** What a blow it was to learn the yearly Commemorative Event was out of the Crestmoor Fund (CTRF). I'd like to hear the reasoning behind that decision.

**20d.** I'd also like to know why the canyon where the explosion occurred wasn't the first thing done right after? My back yard was planted right after and everything has really grown in 5 years – especially the redwood tree. Don't think we want that section of Glenview to wash on down the canyon.

**21.** Why were the residents of Crestmoor 2 not given the opportunity to buy the empty lots in the neighborhood from the City?

**21a.** Why did the City spend money set aside to rebuild Crestmoor on the salaries of government employees?

**21b.** What kind of oversight is being carried out to ensure the funds given to the City by PG&E to rebuilt Crestmoor 2 are not being mismanaged?

**22.** Please provide the actual reimbursements from the PG&E Trust Fund by fiscal year and using the categories as listed on the attached chart.

If a category has reimbursement history but is not listed on the chart below, please add it.

A pending column has been included for charges that have been incurred but not yet submitted for reimbursement.

Verify that the total on the chart reconciles to the actual balance of the PG&E Trust Fund.

*(See attachment)*

- 23.** The Personnel Allocation page in the Operating Budgets for fiscal years 2014-2015 (page D-75) and 2015-2016 (page E-71) indicate that 45% of the salary and benefits of a Fire Battalion Chief are being reimbursed by the PG&E Trust Fund.

On March 11, 2014, Mark Ladas, Fire Chief, presented the City Council Agenda Item Staff Report *"Adopt Resolution Amending the FY2013-2014 Operating Budget to Add an Administrative Fire Battalion Chief Position in the Fire Department"*.

*That report states "This position would be a two-year assignment and be responsible for the San Bruno Emergency Operations Center (EOC) including providing resources, equipment, and other information, conducting Emergency Operations Center (EOC) drills coordinating directly with every City department to identify and address their emergency preparation needs, tracking necessary National Incident Management System (NIMS) training, assist with the coordination of emergency preparedness classes offered to the public including CERT, CPR and First Aid, working closely with the program coordinators of the San Bruno's Emergency Preparedness Committee, acting as a liaison with the San Mateo County Office of Emergency Preparedness Committee, acting as a liaison with The San Mateo County Office of Emergency Services, and developing and maintaining a Wildland Fire Mitigation Plan".*

While these duties are vital to the emergency preparedness of the City, how is it justified that 45% of his salary and benefits be reimbursed from the PG&E Trust Fund?

- 24.** My concern when you discussed at the meeting last week about changing the method of repaving our streets in our Crestmoor neighbor is that our streets will not be done like the work done recently on Santa Lucia from El Camino to De Soto Way.

See attached pictures. I would not like our streets to look like this after they are done.

- 25.** As a result of the tragic gas pipeline explosions in San Bruno, California and Allentown, Pennsylvania, The Mayors' Council on Pipeline Safety was established in 2013.

Two of the founders were Mayor Jim Ruane and City Manager Connie Jackson.

Counsel for the organization are Britt Strottman and Steve Meyers of the Meyers/Nave firm in Oakland. According to their website ([www.meyersnave.com](http://www.meyersnave.com)), they have been representing the City in the *"extensive investigations and hearings before the CPUC and the National Transportation Safety Board."*

Has any money related to the formation, ongoing operation or events associated with this organization been reimbursed by the PG&E Trust Fund?

Has representation of this organization by Meyers/Nave attorneys been reimbursed by the PG&E Trust Fund?

- 26.** The City of San Bruno Warrant Register Total Fund Recap dated 12/16/13 lists \$1,420,686.16 for invoices paid against the Emergency Disaster Fund (190).

We are able to identify the following:

\$443,803.91 - JMB Construction, Inc. Please provide project name	Construction costs
\$431,945.34 - Meyers/Nave Professional Law Please provide period covered	Legal representation

Please detail the remaining invoices that total \$544,936.91 with the vendor name, amount and purpose of payment.

- 27.** Thank you for your suggestion to review the Trust Agreement on the City website. Upon doing so, I would like clarification of the following statement in item number 3, Additions to Trust:

*"Grantor shall not be required to contribute an amount greater than \$70 million to the Trust Fund. If the Grantor has contributed a total of \$63 million to the Trust Fund and the City reasonably believes that additional contributions in excess of \$70 million will be needed, Grantor agrees to negotiate with the City and Trustee in Good Faith the amount of any additional contributions in excess of \$70 million."*

This document is dated 24th day of March, 2011 and is signed by Christopher P. Johns (PG&E), Michael Garvey (Trustee), Robert Lanzone (Successor Trustee) and Sheila K. Soares (U.S. Bank National Association).

Was there an amendment to this Trust Agreement?

- 28.** How can the agenda reports and minutes from 2013 and prior be accessed?
- 29.** Were any of the lawyers fees, city staff time and other costs to be get the \$70,000,000 paid by the Crestmoor 2 rebuild trust fund?

If so, what was the amount?

Will the rebuild fund be reimbursed since it did not, in anyway, benefit the Crestmoor 2 fire victims' neighborhood?

- 30.** Please advise from which fund the following invoices were disbursed:

02/23/15	invoice 153550	\$12,142.86	The 360 Group
01/20/15	invoice 152937	\$24,535.71	The 360 Group
12/15/14	invoice 152482	\$24,387.71	The 360 Group
11/03/14	invoice 151655	\$25,000.71	The 360 Group

If there are any additional invoices for vendor code 0106076, please include the disbursement fund for those also.

- 31.** What is the status of the tree replanting program on Sneath Lane behind the homes on Plymouth Way? We were of the understanding that the City Council had approved and authorized this work and that it would be started by now. Please provide an update.

**32.** If the entire city was a victim according to you and Mayor Ruane, why is the Rebuild Fund stuck with ALL the expenses?

**32a.** Why is the rebuild fund being charged 100% for a police officer and a community service officer?

**32b.** Why are we paying 45% of a Battalion Chief's salary?

**32c.** Why does a city this size need an assistant City Manager?

**32d.** Lastly, the streets and sidewalks need to be replaced not patched as suggested on Jan. 27, 2016.

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